



State of California
Employment Training Panel

Training Proposal for:
Decore-Active Specialties, Inc.

Agreement Number: ET09-0308

Panel Meeting of: **October 17, 2008**

ETP Regional Office: **North Hollywood**

Analyst: E. Wadzinski

PROJECT PROFILE

Contract
Type: Priority/Retrainee

Industry
Sector(s): Manufacturing

Counties
Served: Los Angeles, Sacramento

Repeat
Contractor: ☐ Yes ☒ No

Union(s): ☐ Yes ☒ No

Priority
Industry: ☒ Yes ☐ No

No. Employees in CA: 809

No. Employees Worldwide: 1,079

Turnover Rate %	Manager/ Supervisor %
19%	7%

FUNDING DETAIL

Program Costs	Substantial Contribution	Total ETP Funding
\$858,240	\$0	\$858,240

In-Kind Contribution
\$992,748

TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Average No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Priority/Retrainee	Business Skills, Continuous Improvement, Management Skills, Manufacturing Skills, Advanced Technology	596	24-200	0	\$1,440	\$13.58
				Weighted Avg: 80			

Minimum Wage by County: \$13.58 for Sacramento County, and \$14.02 for Los Angeles County.

Health Benefits: ☒ Yes ☐ No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: ☒ Yes ☐ No

\$2.50 per hour may be used to meet the Post-Retention Wage.

Other Benefits: 401K, Life Insurance, Short-Term Disability, Paid Holidays, Vacations, and Sick Leave

Wage Range by Occupation	
Occupation Title	Wage Range
Production Worker	
Customer Service Staff	
Information Technology Staff	
Manager/Supervisor	
Sales Staff	

INTRODUCTION

In this proposal, Decore-Active Specialties, Inc. (Decore-Active) seeks funding for retraining as outlined below:

Decore-Active is a manufacturer of custom cabinet doors. This company qualifies for standard ETP funding as a manufacturer facing out-of-state competition, under Title 22, California Code of Regulations, Section 4416(i)(1).

The company was founded by cabinetmaker Jack Lansford, who started working out of his garage in 1965. Decore-Active has since grown into a national manufacturing company, employing 1,079 employees worldwide; supplying cabinetmakers with custom cabinet doors in over 250 standard styles, using a wide variety of materials. Decore-Active also offers high-quality dovetail and doweled drawer boxes in a variety of materials, as well as Deco-form accessories. Its customers include cabinetmakers, contractors, designers, SEARS, and Home Depot.

Decore-Active has five manufacturing facilities. Four are located in California (Monrovia, Elk Grove, and two in Irwindale) and one in North Carolina. The training in this proposal will be provided to employees at all California facilities.

Green Technology

In an effort to become an environmental-friendly production facility, Decore-Active has recently invested 3.5 million dollars to create and launch new, proprietary, green technology equipment for cabinets and other products. The contractor's representative stated that this new technology will represent a significant reduction in the environmental impact of installing cabinets in homes; allowing Decore-Active to compete much more effectively with companies that outsource some processes out-of-state due to environmental restrictions in California. This training will assist in creating a more effective waste conscious front work force, develop a group of high-performance managers and shop floor leads, and train the influx of new employees that will be needed to launch the new green product line.

PROJECT DETAILS

The Decore-Active representative states the company has seen significant fall-out from the national housing crisis. A steep decline in the amount of new construction and remodels has had a negative impact on Decore-Active sales volume overall. In this new market, Decore-Active seeks to acquire competitive accounts and grow ancillary product lines in each of its manufacturing regions. This training plan is aimed at increasing employee skills, productivity, and value to the customer by reducing defects, late-shipments, and overproduction; and integrating new 'green' product lines that would positively impact homeowners.

Additionally, the company has made significant investments in information technology software to provide new capacities for dataflow. Some of the training will focus on highly advanced software and computer hardware skills in an effort to increase the efficiency of internal information technology staff.

Trainees will receive one or more of the following types of training:

All occupations will receive some topics in **Business Skills** training to help develop sales, marketing, and customer relations techniques that are currently lacking.

Continuous Improvement training will be provided to Production staff, Customer Service Representatives, Managers/Supervisors. It will focus on quality and process improvement which will give the company the disciplines to define, measure, analyze, improve, and control its processes.

Manufacturing Skills will focus on the day-to-day operations of the company. Production staff, Managers and Supervisors, will be trained in new manufacturing practices and technical skills. Training will also cover clean technology and environmental-friendly production practices.

Management Skills training will emphasize on providing Managers and Supervisors with training on the use of Visual Management tools as a way to lead and manage frontline workers. This training will also include techniques on how to address problems as a project leader.

Advanced Technology (AT) training will focus on highly technical hardware and software training for 16 Information Technology staff and an estimated 20 Managers/Supervisors. Training will provide staff with knowledge on how to program and use new software programs to create SQL defined reports, define unique COGNOS queries for daily production needs, mine

data from a proprietary mainframe program, and manipulate the information using other programs and tools. The AT training for Managers/Supervisors will help Decore-Ative alleviate its need to rely on IT staff to respond to issues that lead to production downtime.

Further, this training will help the company begin integrating new software and expand utilization of existing software purchases. Decore-Ative has requested \$26 per hour reimbursement to cover the high cost of training that will be given by training vendors using expensive hardware, software, manuals, and special training materials. Class size will be very small to allow more in depth and personal attention from the instructor. The company representative stated that the average trainee cost for the AT courses is between \$35 and \$55 per hour.

Commitment to Training

Decore-Ative represents that ETP funds will not displace the existing financial commitment to training. Decore-Ative anticipates that the opportunity for enhanced training made possible by ETP funds, will encourage an ongoing financial commitment in this area.

Current training includes new hire orientation, general safety machine specific on the job training, documentation for front-line workers and career development. The company's current training budget is approximately \$350,000.

Decore-Ative represents that safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

RECOMMENDATION

For the reasons set forth above, staff recommends approval of this proposal based on Decore-Ative's stated need to upgrade the skills of its workforce and provide a formal training program in the company's processes, including training in new equipment and systems. In making this recommendation, staff notes that Decore-Ative is a manufacturing company that promotes clean, energy efficient green technologies, which is among the Panel's strategic initiatives.

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

24 - 200 Hours Trainees will receive any of the following:

BUSINESS SKILLS

- Effective Sales and Marketing
- Communication Skills
- Customer Service Skills
- New Product Specifications

CONTINUOUS IMPROVEMENT

- Teambuilding
- Lean
- Six Sigma
- 5S
- TQM
- Managing for Daily Improvement

MANAGEMENT SKILLS (Only for Managers and Supervisors)

- Visual Management
- Basic Project management

MANUFACTURING SKILLS

- Good Manufacturing Practices
- Recycling
- Green Operations
- Equipment Operation
- Supply Chain Management

ADVANCED TECHNOLOGY

(For Information Technology Staff and 20 Supervisor/Managers)

- SQL
- VB.Net
- MCSE
- Lotus Notes Administration
- M.S. Sharepoint
- COGNOS
- ANZIO (proprietary)
- Data Mining
- Data-based Decision Making
- Statistical Inference/Planning